



U.S. Immigration
and Customs
Enforcement

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News Release

LEXINGTON, KENTUCKY MAN SENTENCED TO 39 MONTHS IN PRISON FOR VIOLATING TRADE EMBARGO AGAINST IRAN

Washington, D.C. - United States Attorney Kenneth L. Wainstein, Darryl W. Jackson, United States Department of Commerce Assistant Secretary for Export Enforcement, and Mark Gerrand, Acting Special Agent-in-Charge for U.S. Immigration and Customs Enforcement (ICE), Department of Homeland Security, announced yesterday that the Honorable John D. Bates sentenced Robert E. Quinn, 54, of Lexington, Kentucky, to 39 months of incarceration and a fine of \$6,000. Quinn was found guilty by a federal jury on December 7, 2005, of one count of conspiring to violate the U.S. trade embargo against Iran and five counts of illegal exports to Iran.

United States Attorney Kenneth L. Wainstein stated, "This sentence should stand as deterrent for anyone in the United States contemplating violating the embargo against Iran. The embargo is in place as part of the bulwark ensuring national security. We will continue to enforce the embargo and other export aggressively."

Commerce Assistant Secretary for Export Enforcement Darryl W. Jackson stated, "The embargo on Iran is an important part of our Nation's foreign policy interests. We want to do all that we can to discourage Iran's sponsorship of international terrorism and active pursuit of weapons of mass Destruction. We will continue to vigorously pursue cases like this one."

In October 2005, a federal grand jury in the District of Columbia returned a six-count superseding indictment against Quinn, 54, and Michael H. Holland, also of Lexington, Kentucky, and Mohammed A. Sharbaf, of Iran, charging them with violating the United States embargo on trade with Iran. Quinn and Holland were sales executives employed by Clark Material Handling Corporation ("CMHC"), a Kentucky-based forklift truck manufacturer. Sharbaf is President and Managing Director of Sepahan Lifter, a forklift truck manufacturer in Esfahan, Iran.

The government's evidence at trial showed that, beginning in February 2003, Quinn, who served as the former Vice-President of Global Parts Marketing for CMHC, agreed with Sharbaf to supply forklift and tow tractor parts to Sepahan Lifter. In order to circumvent the embargo, Quinn and

Sharbaf arranged for the goods first to go to Sharp Line Trading, a broker in Dubai, United Arab Emirates, after which Sharp Line would immediately re-export the parts to Sepahan Lifter in Iran. Khalid Mahmood, Sharp Line's president, previously pled guilty to related charges and testified for the government at trial. Between March 2003 and December 2003, Quinn directed five shipments of CMHC parts to Iran through Sharp Line in Dubai.

The jury acquitted co-defendant Michael Holland of all charges. Charges remain outstanding against the second codefendant, Mohammed A. Sharbaf. Under the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1706, and the Iranian Transaction Regulations, 50 C.F.R. Part 560, all exports to Iran of U.S.-origin commodities are prohibited absent authorization in the form of an export license from the Office of Foreign Assets Control ("OFAC") of the Department of the Treasury. It is also unlawful to ship U.S. origin products to a third country and then re-export them to Iran without the necessary authorization from OFAC. These prohibitions have been in place since 1995.

In announcing today's sentence, U.S. Attorney Wainstein, Assistant Secretary Jackson, and Acting Special Agent in Charge Gerrand praised the outstanding investigative work of OEE Special Agents Scott Douglas, Joel Christy, and David Nardella and ICE Special Agents Richard Reinhold, Mark Knoblock, and Susan Lavoie. They also praised Paralegal Specialists Eugene Lee, Cherell Lonon-Gerald, and Barbara Necastro and Legal Assistant Cheryl Simms. Lastly, they expressed appreciation to Assistant United States Attorneys Jay I. Bratt and Laura A. Ingersoll, who prosecuted the case.

ICE

ICE, the primary investigative arm of the Department of Homeland Security, was established to bring a unified focus to the enforcement of U.S. immigration and customs laws, with the principal goal of preventing violations by terrorists and other criminals who threaten the nation's security.